

LAW OFFICES  
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TELEPHONE (703) 524-8309  
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RECORDATION NO. 24063-R FILED

JUL 24 '03 9-48 AM

SURFACE TRANSPORTATION BOARD

July 24, 2003

**Recordation No. 24063-R**

Dear Mr. Williams:

On behalf of Trilon Bankcorp Inc. I submit for filing and recording under 49 U.S.C. § 11301 (a) and the regulations applicable thereunder, executed counterparts of a secondary document, not previously recorded, in the nature of a letter of partial release ("Partial Release") dated as of JULY 22, 2003.

The parties to the enclosed Partial Release are:

**Trilon Bankcorp Inc.**  
**BCE Place, Suite 4420**  
**181 Bay Street**  
**Toronto, Ontario M5J 2T3**  
**CANADA**

-

**RELEASOR/SECURED PARTY**

**National Steel Car Limited**  
**602 Kenilworth Avenue North**  
**Hamilton, Ontario L8N 3J4**  
**CANADA**

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**RELEASEE/DEBTOR**

The said Partial Release, among other things, acts to release ONLY those units in Appendix 2 thereto (copy attached) from that certain Security Agreement between National Steel Car Limited, as Debtor, and Trilon Bancorp Inc., as Secured Party, recorded under Recordation No. 24063. The Partial Release should be recorded under the next available letter under Recordation No. 24063, which letter we believe to be "-R."

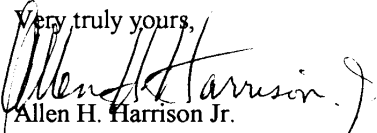
The equipment covered by the instant Partial Release is as identified in Appendix 2 thereto, namely two (2) coil steel railcars, CN187241 and 187264.

A short summary of the Partial Release to appear in the Surface Transportation Board Index is as follows:

"Released from Security Agreement, two (2) coil steel railcars, CN187241 and 187264, as covered in Appendix 2 to Partial Release."

Enclosed is a check in the amount of thirty dollars (\$30.00) in payment of the filing fee.

Once the filing has been made, please return to bearer the stamped counterpart(s) of the document not required for filing purposes, together with the letter from the Surface Transportation Board acknowledging the filing, and the two extra copies of this letter of transmittal.

Very truly yours,  
  
Allen H. Harrison Jr.  
*Attorney for Trilon Bankcorp Inc.*  
*for the purpose of this filing.*

Honorable Vernon A. Williams  
Secretary  
Surface Transportation Board  
Washington, DC 20423

Enclosures

BY HAND

**APPENDIX 2**

**Cars**

Two (2) coil steel railcars, numbered:

CN 187241

CN 187264



July 22, 2003

RECORDATION NO. 24063-2 FILED

JUL 24 '03 9:48 AM  
SURFACE TRANSPORTATION BOARD

National Steel Car Limited  
P.O. Box 2450 LCD 1  
600 Kenilworth Avenue North  
Hamilton, Ontario L8N 3J4  
Canada  
Attention: Cecil Mosselman

CSX Transportation, Inc.  
500 Water Street  
Jacksonville, Florida 32202  
Attention: Mr. Evan Bell, Director Lease Finance

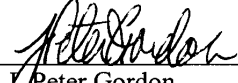
**Re: Release of interest in coil steel railcars in favour of CSX Transportation, Inc. ("CSX")**

Dear Sirs:

We refer to our letter dated April 29, 2003 concerning the above-referenced matter, a copy of which is attached hereto as Appendix 1, and we now confirm that we irrevocably release the coil steel railcars (the "Cars") described in the list of Cars attached to this letter as Appendix 2, from any security interest or claim under the Security Agreement described in Appendix 1.

Sincerely,

TRILON BANCORP INC.

By:   
Name: Peter Gordon  
Title: Vice President

**Brascan Financial Corporation**

NY01/STADD/829463.1 Suite 300, BCE Place, Box 771, 181 Bay Street, Toronto, Ontario M5J 2T3  
Telephone (416) 363-0061 Facsimile (416) 365-9642 [www.brascanfinancial.ca](http://www.brascanfinancial.ca)

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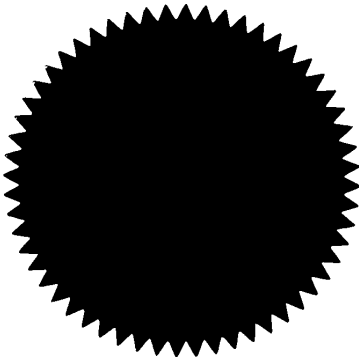
PROVINCE OF ONTARIO

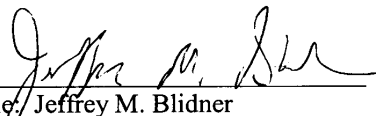
TO WIT

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) TO ALL THOSE WHOM THESE PRESENTS  
) MAY COME, BE SEEN OR KNOWN  
)  
)  
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I, Jeffrey M. Blidner, a Notary Public in and for the Province of Ontario by Royal Authority duly appointed residing at the City of Toronto, in the said Province, do certify that on this date, the 22<sup>nd</sup> day of July, 2003, before me personally appeared J. Peter Gordon, a Vice President of Trilon Bancorp Inc., who acknowledged himself to be a duly authorized officer of Trilon Bancorp Inc., and that, as such officer, being authorized to do so, he executed the foregoing instrument for the purposes therein contained.

IN TESTIMONY WHEREOF I have hereof subscribed my name and affixed my Notarial Seal of Office at the City of Toronto this 22<sup>nd</sup> day of July, 2003.



  
Name/ Jeffrey M. Blidner

A Notary Public in and for the Province of  
Ontario



BCE Place, 181 Bay Street, Suite 4420, P.O. Box 771  
Toronto, Ontario M5J 2T3  
Telephone (416) 363-0061 Fax (416) 365-9642

April 29, 2003

National Steel Car Limited  
P.O. Box 2450 LCD 1  
600 Kenilworth Avenue North  
Hamilton, Ontario L8N 3J4  
Canada  
Attention: Cecil Mosselman

CSX Transportation, Inc.  
500 Water Street  
Jacksonville, Florida 32202  
Attention: Mr. Evan Bell, Director Lease Finance

Dear Sirs:

Reference is hereby made to that certain General Security Agreement made and entered into as of July 19, 2002, by National Steel Car Limited ("NSC") in favor of Trilon Bancorp Inc. ("Trilon") (the "Security Agreement"), a memorandum of which has been filed with the United States Surface Transportation Board under Recordation No. 24063. Trilon understands that pursuant to a Purchase Agreement, dated April 4, 2003, NSC intends to sell to CSX Transportation, Inc. ("CSX") and CSX intends to purchase from NSC, two hundred twelve (212) coil steel railcars, manufactured or to be manufactured by NSC (the "Cars"), such purchase to occur through the sales of Cars in batches of one or more Cars ("Batches").

On or immediately prior to the invoicing of a particular Batch by NSC to CSX, Trilon shall release (a "Release") the Cars listed or to be listed on such invoice from any security interest or claim under the Security Agreement, such Release to be granted at NSC's expense and to be given in the form set forth in Annex 1 to this letter. Upon receipt by NSC of the proceeds of the sale of such Cars, NSC shall pay such proceeds to Trilon, only to the extent that there are any amounts due and owing under the revolving Credit A Loan under the Loan Agreement between NSC and Trilon dated July 19, 2002. Notwithstanding the foregoing, in the event that NSC does not pay to Trilon the proceeds of sale relating to a particular Batch, Trilon shall not be obligated to provide a Release in connection with the next Batch.

Sincerely,

TRILON BANCORP INC.

By: David V.  
Name:  
Title:

ACKNOWLEDGEMENT AND AGREEMENT

The undersigned hereby acknowledges the foregoing and undertakes to pay the proceeds of the sales of Cars to Trilon, in accordance with the foregoing.

NATIONAL STEEL CAR LIMITED

By: \_\_\_\_\_  
Name:  
Title:

## **APPENDIX 2**

### **Cars**

Two (2) coil steel railcars, numbered:

CN 187241

CN 187264